



**SHAREHOLDERS' MEETING OF 28 APRIL AND 5 MAY 2016
BOARD OF DIRECTORS' REPORT
CONCERNING ITEM 4.1 ON THE AGENDA**

"Appointment of the Board of Statutory Auditors"

Dear Shareholders,

with the approval by the shareholders' meeting of the Financial Statements for the year ended 31/12/2015, the office of the current Board of Statutory Auditors expires; the said Board was appointed by the Ordinary Shareholders' Meeting on 15 April 2013 for the 2013-2014-2015 financial years.

You are therefore called to appoint the Board of Statutory Auditors, composed of three standing auditors and two alternate auditors, for three financial years (2016-2017-2018) in accordance with Art. 22 of the by-laws.

The composition of the Board of Statutory Auditors must meet gender balance requirements.

The above mentioned Article specifies that the Board of Statutory Auditors must be renewed in compliance with the gender balance referred to in law No. 120 of 12 July 2011. As this is the second time said provision is applied, in accordance with the above law, at least one third of the statutory auditors must be of the minority gender. Therefore, Shareholders who wish to present a list for the renewal of the Board of Statutory Auditors with three or more candidates on the list, must include at least one third of the candidates of the minority gender in the list (rounding up, if necessary).

In accordance with articles 15 and 22 of the By-laws, the members of the Board of Statutory Auditors will be elected by voting on the basis of the list system.

Upon appointment of the Statutory Auditors and before the acceptance of office, the management and control positions held by them in other companies will be disclosed to the shareholders' meeting.

The lists of candidates for the position of statutory auditor can be presented by Shareholders who, individually or with other Shareholders, hold at least 1% of the share capital with a right to vote, and must be registered at the registered office (in Rome, Piazzale Ostiense no. 2 - Funzione Affari Legali e Societari), or sent by fax to the Funzione Affari Legali e Societari + 39 06 57994229 at least twenty-five days before



the date of the Meeting convened on first call, (by 04:00 pm on 4 April 2016), in consideration that the deadline for filing the list is Sunday 3 April 2016.

The lists will be made public by the Company by filing them at the registered office and by publishing them in at least three national daily papers, of which two financial dailies, and on the corporate web site www.acea.it (by 7 April 2016). Each Shareholder can present or collaborate in the presentation of one list only and each candidate may be listed in one list only subject to ineligibility for election. Each shareholder with a right to vote can vote for one list only. The following must be registered with the lists by the proposing shareholders, in accordance with the law and the By-laws:

- information on the identity of the shareholders who presented the lists, indicating the total percentage of shares held, and subject to inadmissibility, a copy of the notification issued by authorized intermediaries, specifying ownership of those shares;
- the curriculum of each candidate containing exhaustive information with the candidate's personal and professional details; the list of any management and control positions held in other companies; declarations from each candidate on their irrevocable acceptance of the position, certification under their own responsibility of the non-existence of causes for ineligibility for election, incompatibility and forfeiture and of satisfaction of the requirements for holding the office as set out by the applicable legislation and the By-laws.

Furthermore, the lists of candidates presented by "minority" shareholders must be submitted pursuant to art. 144 *sexies* of the Issuers' Regulation with a declaration made by shareholders, other than those who have a controlling interest, certifying that they have no connections with the latter, as required by article 144 *quinquies* of the Issuers' Regulation.

In accordance with article 144-*sexies*, paragraph 5, of the Issuers' Regulation, in the event that upon expiration of the above time limit only one list has been submitted for the appointment of the Board of Statutory Auditors, or lists have only been submitted by shareholders who, pursuant to the provisions of art. 144 *sexies* paragraph 4, of the Issuers' Regulation, are connected with each other in accordance with article 144 *quinquies* of the same Regulation, lists can be submitted up to the third day after said



date (until 4:00 pm on 7 April 2016), and the stake in the share capital required by the By-laws for submission of the lists will be reduced to 0.5%.

We invite the shareholders who intend to submit lists for the appointment of the members of the Board of Statutory Auditors to read the recommendations set out in CONSOB communication No. DEM/9017893 of 26 February 2009.

Pursuant to Article 22 of the Buy-laws, it is recalled that the office of Statutory Auditor in the Company is incompatible:

- (i) with similar appointments in more than three listed companies, with the exception of Company subsidiaries pursuant to art. 2359 of the Italian Civil Code; and, in any event
- (ii) in the cases provided for by Law.

To this end, each Statutory Auditor must provide a specific statement to the Board of Directors mentioning their resignation from incompatible offices, where applicable. Failure to produce the above declaration within 30 days from the appointment or the subsequent acceptance of incompatible offices shall result in disqualification from the office of Statutory Auditor.

Half plus one of the eligible standing Auditors and one alternate Auditor are taken from the list which obtained the majority of votes, in the progressive order as they are presented on the list, rounding down in the event of a fractional number.

The other members of the Board of Statutory Auditors shall be appointed according to the procedures described in the By-laws, as follows. Those who obtained the first and second highest quotient from the minority lists shall be appointed as standing Auditor and alternate Auditor; if there is an equal quotient, the person from the minority shareholder list who obtained the most votes shall be appointed as standing Auditor. In any event, at least one standing Auditor shall be appointed by the minority shareholders.

If, by applying the above procedures, the composition of the Board of Statutory Auditors cannot be satisfied as to its standing auditors in conformity with current gender balance regulations, the necessary replacements will be made within the list that obtained the highest number of votes, in the progressive order as they are presented on the list.

In the absence of a sufficient number of candidates of the less represented gender in the majority list, the shareholders' meeting shall appoint the missing standing or



alternate auditors according to the majority set out by law, ensuring satisfaction of the requirement.

The members of the Board of Statutory Auditors must fulfil the requirements prescribed by law, the applicable regulations and the By-laws.

Dear Shareholders,

we ask you to vote one of the lists presented and published in accordance with the provisions of the By-laws.

On behalf of the Board of Directors
The Chairman
Catia Tomasetti